

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name LAMOTTE TOWNSHIP	County SANILAC
Audit Date MARCH 31, 2004	Opinion Date JULY 8, 2004	Date Accountant Report Submitted to State: JULY 22, 2004	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ Yes ☒ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			X
Reports on individual federal financial assistance programs (program audits).			X
Single Audit Reports (ASLGU).			X

Certified Public Accountant (Firm Name) ANDERSON, TUCKEY, BERNHARDT & DORAN P.C.			
Street Address 715 E. FRANK STREET		City CARO	State MI
Accountant Signature Raymond Anderson CPA		ZIP 48723	Date

LAMOTTE TOWNSHIP
Sanilac County, Michigan

Annual Financial Statements
and Auditor's Report

March 31, 2004

TOWNSHIP BOARD

Supervisor.....	Jim D' Arcy
Treasurer.....	Linda Hirsch
Clerk.....	J. Boyd King
Trustee.....	Steve Shaw
Trustee.....	Les Phillips

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ANDERSON, TUCKEY, BERNHARDT & DORAN, P.C.

Certified Public Accountants



Gary R. Anderson, CPA
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Robert L. Tuckey, CPA
Valerie Jamieson Hartel, CPA
Jamie L. Peasley, CPA

July 8, 2004

REPORT OF INDEPENDENT AUDITORS

Members of the Township Board
Township of Lamotte
Sanilac County, Michigan

We have audited the accompanying general purpose financial statements of the Township of Lamotte as of March 31, 2004 and for the year then ended. These general purpose financial statements are the responsibility of the Township of Lamotte management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Township of Lamotte as of March 31, 2004, and the results of its operations for the year then ended in conformity with U.S. generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental financial information listed in the Table of Contents is presented for purposes of additional analysis and is not a required part of the general purpose financial statements of Township of Lamotte. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Anderson, Tuckey, Bernhardt & Doran, P.C.

ANDERSON, TUCKEY, BERNHARDT & DORAN, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

GENERAL PURPOSE FINANCIAL STATEMENTS

LAMOTTE TOWNSHIP
Combined Balance Sheet - All Fund Types
March 31, 2004

	<u>GOVERNMENTAL FUND TYPE</u>		<u>FIDUCIARY FUND TYPE</u>
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>AGENCY FUND</u>
<u>ASSETS</u>			
Cash in Bank - Checking	\$ 498	\$ 49,024	
Cash in Bank - Savings	36,388		
Cash in Bank - Money Market Account	90,773	23,016	
Cash in Bank - CD	26,383		
Cash in Bank - CD		25,707	
Taxes Receivable			\$ 44,490
Due from other funds	3,160	5,938	
Property, Plant & Equipment at cost			
TOTAL ASSETS	<u>\$ 157,202</u>	<u>\$ 103,685</u>	<u>\$ 44,490</u>
<u>LIABILITIES & FUND BALANCE</u>			
Due to other funds			\$ 9,098
Due to other governmental units			35,392
Total Liabilities	-	-	44,490
Fund Balance:			
Investment in General Fixed Assets			
Undesignated	\$ 157,202	\$ 103,685	
Total Fund Balance	157,202	103,685	-
TOTAL LIABILITIES & FUND BALANCE	<u>\$ 157,202</u>	<u>\$ 103,685</u>	<u>\$ 44,490</u>

The accompanying notes are an integral part of the financial statements.

ACCOUNT GROUP	
GENERAL FIXED ASSETS	TOTALS (MEMORANDUM ONLY)
	\$ 49,522
	36,388
	113,789
	26,383
	25,707
	44,490
	9,098
\$ 420,728	420,728
<u>\$ 420,728</u>	<u>\$ 726,105</u>
	\$ 9,098
	35,392
-	44,490
\$ 420,728	420,728
	260,887
420,728	681,615
<u>\$ 420,728</u>	<u>\$ 726,105</u>

LAMOTTE TOWNSHIP
Combined Statement of Revenues, Expenditures And
Changes In Fund Balance - All Governmental Fund Types
For The Year Ended March 31, 2004

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUNDS</u>	<u>TOTALS (MEMORANDUM ONLY)</u>
REVENUES:			
Taxes	\$ 24,126	\$ 51,793	\$ 75,919
Intergovernmental	74,214		74,214
Licenses and permits	516		516
Rents & Royalties	7,900		7,900
Charges for services	12,800		12,800
Interest	2,103	762	2,865
Other	3,426	958	4,384
	<u>125,085</u>	<u>53,513</u>	<u>178,598</u>
TOTAL REVENUES			
	<u>125,085</u>	<u>53,513</u>	<u>178,598</u>
EXPENDITURES:			
Legislative	17,966		17,966
General Government	32,369		32,369
Public Works	94,334	58,892	153,226
Township Hall	2,268		2,268
Public Safety	20,017	-	20,017
Other	3,950		3,950
	<u>170,904</u>	<u>58,892</u>	<u>229,796</u>
TOTAL EXPENDITURES			
	<u>170,904</u>	<u>58,892</u>	<u>229,796</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(45,819)</u>	<u>(5,379)</u>	<u>(51,198)</u>
FUND BALANCE - BEGINNING OF YEAR	<u>203,021</u>	<u>109,064</u>	<u>312,085</u>
FUND BALANCE - END OF YEAR	<u>\$ 157,202</u>	<u>\$ 103,685</u>	<u>\$ 260,887</u>

The accompanying notes are an integral part of the financial statements.

LAMOTTE TOWNSHIP
Combined Statement of Revenues, Expenditures
And Changes In Fund Balance - Budget (GAAP Basis) And Actual
General And Special Revenue Fund Types
For The Year Ended March 31, 2004

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)
REVENUES:			
Taxes	\$ 24,000	\$ 24,126	\$ 126
Intergovernmental	68,000	74,214	6,214
Licenses and permits	350	516	166
Charges for services	6,000	12,800	6,800
Interest & Dividends	2,000	2,103	103
Rents & Royalties	5,500	7,900	2,400
Other	-	3,426	3,426
TOTAL REVENUES	105,850	125,085	19,235
EXPENDITURES:			
Legislative	30,000	17,966	12,034
General Government	42,350	32,369	9,981
Public Works	114,800	94,334	20,466
Township Hall	2,600	2,268	332
Public Safety	20,500	20,017	483
Other	8,700	3,950	4,750
TOTAL EXPENDITURES	218,950	170,904	48,046
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(113,100)	(45,819)	(28,811)
FUND BALANCE - BEGINNING OF YEAR	203,021	203,021	-
FUND BALANCE - END OF YEAR	\$ 89,921	\$ 157,202	\$ 67,281

The accompanying notes are an integral part of the financial statements.

SPECIAL REVENUE FUNDS			TOTALS		
BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE - FAVORABLE (UNFAVORABLE)
\$ 47,500	\$ 51,793	\$ 4,293	\$ 71,500	\$ 75,919	\$ 4,419
		-	68,000	74,214	6,214
		-	350	516	166
		-	6,000	12,800	6,800
		-	2,000	2,103	103
600	762	162	6,100	8,662	2,562
-	958	958	-	4,384	4,384
48,100	53,513	5,413	153,950	178,598	24,648
		-			
		-	30,000	17,966	12,034
90,000	58,892	31,108	42,350	32,369	9,981
		-	204,800	153,226	51,574
1,000	-	1,000	2,600	2,268	332
		-	21,500	20,017	1,483
		-	8,700	3,950	4,750
91,000	58,892	32,108	309,950	229,796	80,154
(42,900)	(5,379)	37,521	(156,000)	(51,198)	104,802
109,064	109,064	-	312,085	312,085	-
\$ 66,164	\$ 103,685	\$ 37,521	\$ 156,085	\$ 260,887	\$ 104,802

LAMOTTE TOWNSHIP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

DESCRIPTION OF TOWNSHIP OPERATIONS & FUND TYPES:

The Township of Lamotte, Sanilac County, Michigan covers an area of approximately 36 square miles within Sanilac County. The Township operates under an elected Board of Trustees (5 members) and provides services to its more than 1,000 residents in many areas including public works, public safety, community enrichment and development and human services.

The financial statements of the Township of Lamotte have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to government units. The U.S. Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. REPORTING ENTITY:

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP, currently GASB Statement #14, the Financial Reporting Entity.

Based upon the application of these criteria, the general purpose financial statements of the Township of Lamotte contain all the funds and account groups controlled by the Township's Board of Trustees as no other entity meets the criteria to be considered a blended component unit or a discretely presented component of the Township nor is the Township a component unit of another entity.

B. FUND ACCOUNTING:

The government uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

GOVERNMENTAL FUNDS - are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital project funds), and the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other funds.

FIDUCIARY FUNDS - are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government.

ACCOUNT GROUPS - are used to account for fixed assets and long-term liabilities that are not reported in the respective governmental funds.

LAMOTTE TOWNSHIP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued):

C. BASIS OF ACCOUNTING:

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increase (i.e. revenues and other financing sources) and decrease (i.e. expenditures and other financing uses) in net current assets.

All governmental fund types use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government considers property taxes as available if they are collected within 60 days after year-end. A one-year availability period is used for revenue recognition for all other governmental fund revenues susceptible to accrual. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Those revenues susceptible to accrual are property taxes, federal and state grants, special assessments, licenses, interest revenue and charges for services. Fines, permits and sales tax and other state revenues are not susceptible to accrual because generally they are not measurable until received in cash.

D. BUDGETS AND BUDGETARY ACCOUNTING:

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general and special revenue funds. All annual appropriations lapse at fiscal year-end.

E. CASH AND INVESTMENTS:

Cash includes amounts in petty cash and demand deposits. Investments included instruments allowed by state statute subsequently described. Investments are carried at fair market value.

State statutes authorized the Township to invest in bonds, securities, and other direct and certain indirect obligations of the U.S. Treasury, which include securities issued or guaranteed by the Government National Mortgage Association; certificates of deposit, savings accounts, deposit accounts, or depository receipts of a bank, savings and loan association, or credit union, which is a member of the Federal Deposit Insurance Corporation, Federal Savings and Loan Insurance Corporation, Federal Savings and Loan Insurance Corporation, or National Credit Union Administration, respectively; and in commercial paper rated at the time of purchase within the three highest classifications established by not less than two standard rating services and which matures not more than 270 days after the date of purchase and not totaling more than 40% of any fund at any time. The Township is also authorized to invest in U.S. Government of federal agency obligation repurchase agreements, bankers' acceptance of U.S. banks, and mutual funds composed of investments as outlined above.

LAMOTTE TOWNSHIP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued):

F. RECEIVABLES:

Receivables consist primarily of amounts for taxes and customers charges. No allowance for doubtful accounts is considered necessary and credit risk is minimal because of the large number of customers and the authority of the Township to add receivables to the tax rolls which are secured by the underlying property.

G. FIXED ASSETS:

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. Fixed assets purchased within the proprietary funds and the non-expendable trust fund are reported as assets within those funds and accordingly, are included on their balance sheet.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized, as these assets are immovable and of value only to the government. Primarily because of this policy, total expenditures for capital improvements in the governmental funds do not equal total additions to the general fixed assets account group.

H. FUND EQUITY:

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use.

I. INTERFUND TRANSACTIONS:

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-reoccurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

J. MEMORANDUM ONLY - TOTAL COLUMNS:

The total columns on the combined statements are captioned memorandum only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

LAMOTTE TOWNSHIP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2004

NOTE 2 - PROPERTY TAX REVENUE:

Property taxes become an enforceable lien on the property as of December 1. Taxes are levied on December 1 and are due in February of the following year. The Township bills and collects its own property taxes and also taxes for the county, intermediate school district and school districts. All tax collections are accounted for in the tax collection fund, an agency fund. Township tax revenues are recognized in the fiscal year which includes the December 1 levy date. The Township levied a general millage of 1.2577 mills and a special road millage of 1.9636. In addition, the Township collected the State Education Tax which was levied July 1st and due September 15th.

The Township participates in the Sanilac County Delinquent Tax Fund, which purchases substantially all of the uncollected property tax of the Township each year. The Township receives settlement with the County for all uncollected taxes. On this basis, the full amount of the taxes levied is accrued as income in the year levied.

NOTE 3 – INVESTMENT IN GENERAL FIXED ASSETS:

The general fixed assets of the Township consist of the following:

	BALANCE APRIL 1, 2003	ADDITIONS	DEDUCTIONS	BALANCE MARCH 31, 2004
Land and Buildings:				
Gravel Pits & Cemeteries	\$ 138,485			\$ 138,485
Machinery and Equipment				
Fire Department	255,897	6,199		262,096
Township Hall	13,012	1,185		14,197
Voting	7,250			7,250
TOTAL	\$ 414,644	\$ 7,384	NONE	\$ 422,028

LAMOTTE TOWNSHIP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2004

NOTE 4 – DEPOSITS AND INVESTMENTS:

DEPOSITS:

At year-end, the carrying amount of the Township's deposits was \$251,789 and the bank balance was \$255,470, \$241,681 of which was covered by federal depository insurance. Michigan law does not require collateralization of government deposits. All of the Township's funds, in accordance with Michigan Compiled Laws, Section 129.91, were invested in local banks.

INVESTMENTS:

State statutes and Township policy authorize the Township to invest in obligations of the United States, or agencies and instrumentalities of the U.S. commercial paper rated at the time of purchase within the top two classifications by at least two of the four rating agencies, certificates of deposits, repurchase agreements, banker's acceptance, and mutual funds.

The Township investments are categorized below to give an indication of the level of risk assumed at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the Township or its agent in the Township's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in the Township's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer or by its trust department but not in the Township's name. The Township held no Category 2 or 3 investments at March 31, 2004.

The Township's cash, cash equivalents, investments and restricted assets at March 31, 2004 are composed of the following:

	CASH AND CASH EQUIVALENTS	RESTRICTED ASSETS
General Fund:		
Deposits	\$154,042	NONE
Other Funds:		
Deposits	<u>97,747</u>	<u>NONE</u>
	\$251,789	NONE

NOTE 5 – EMPLOYEE BENEFITS:

The Township pays no employee benefits.

NOTE 6 - RISK MANAGEMENT:

The Township is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The Township carries commercial insurance to cover any losses that may result from the above described activities. For insured programs, there have been no significant reduction in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

LAMOTTE TOWNSHIP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2004

NOTE 7 - LEGAL COMPLIANCE - BUDGETS:

The Township follows these procedures in establishing the budgetary data reflected in the financial statements.

1. On or prior to December 1 of each year, a proposed budget is submitted to the Board of Trustees for the fiscal year commencing the following April 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayers comments.
3. Prior to February 1, the budget is legally enacted through passage of a resolution.
4. Any revisions of the budget must be approved by the Board of Trustees.
5. Formal budgetary integration is employed as a management control device during the year for the general fund and special revenue funds.
6. Budgets for general and special revenue funds are adopted on a basis consistent with generally accepted accounting principles. Budgeted amounts are as originally adopted, or as amended by the Board of Trustees during the fiscal year. Individual amendments were not material in relation to the original appropriations which were amended.
7. The budget is prepared by fund and function and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. Expenditures may not exceed budget at the function level.

NOTE 8 – DUE TO AND FROM OTHER FUNDS:

Due to and from other funds balances at March 31, 2004 are as follows:

<u>FUND</u>	<u>DUE FROM OTHER FUNDS</u>	<u>DUE TO OTHER FUNDS</u>
Special Revenue Funds	\$5,938	
General Fund	3,160	
Current Tax Collection Fund	<u>-</u>	<u>\$9,098</u>
TOTAL	\$9,098	\$9,098

ADDITIONAL INFORMATION

LAMOTTE TOWNSHIP
General Fund
Schedule of Revenues, Expenditures And
Change In Fund Balance
Budget (GAAP Basis) And Actual
For The Year Ended March 31, 2004

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE - FAVORABLE (UNFAVORABLE)</u>
REVENUES:			
Taxes:			
Property taxes	\$ 21,000	\$ 20,603	\$ (397)
Delinquent taxes	3,000	2	(2,998)
Administration Fees		3,521	3,521
Total Taxes	<u>24,000</u>	<u>24,126</u>	<u>126</u>
Intergovernmental:			
State Shared Revenue	68,000	74,214	6,214
Licenses & Permits	350	516	166
Charges for services	6,000	12,800	6,800
Interest & Dividends	2,000	2,103	103
Rents & Royalties	5,500	7,900	2,400
Other Revenue:			
Miscellaneous		1,027	1,027
Sale of fixed assets		-	-
Reimbursements		1,949	1,949
Cemetary		450	450
Contributions		-	-
Total Other Revenue	<u> </u>	<u>3,426</u>	<u>3,426</u>
TOTAL REVENUES	<u>\$ 105,850</u>	<u>\$ 125,085</u>	<u>\$ 19,235</u>

LAMOTTE TOWNSHIP
General Fund
Schedule of Revenues, Expenditures And
Change In Fund Balance
Budget (GAAP Basis) And Actual
For The Year Ended March 31, 2004

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE - FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES			
Legislative:			
Township Board			
Salaries		\$ 3,000	
Professional Services		1,235	
Printing and Publishing		141	
Insurance		12,981	
Miscellaneous		609	
Total Legislative:	<u>\$ 30,000</u>	<u>17,966</u>	<u>\$ 12,034</u>
General Government:			
Executive			
Salaries		4,200	
Office Supplies		14	
Miscellaneous		46	
Total Executive	<u>4,950</u>	<u>4,260</u>	<u>690</u>
Board of Review			
Salary and Wages		1,050	
Miscellaneous		207	
Total Board of Review	<u>2,200</u>	<u>1,257</u>	<u>944</u>
Clerk			
Salary		7,900	
Supplies		403	
Rentals		800	
Miscellaneous		510	
Total Clerk's Staff	<u>11,700</u>	<u>9,613</u>	<u>2,087</u>

(Continued)

LAMOTTE TOWNSHIP
General Fund
Schedule of Revenues, Expenditures And
Change In Fund Balance
Budget (GAAP Basis) And Actual
For The Year Ended March 31, 2004

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE - FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES, (Continued):			
Treasurer			
Salaries		\$ 7,900	
Supplies		1,174	
Rentals		500	
Miscellaneous		370	
Total Treasurer	<u>\$ 11,400</u>	<u>9,944</u>	<u>\$ 1,456</u>
Elections	<u>2,500</u>	<u>310</u>	<u>2,190</u>
Assessor			
Salary & Wages		3,700	
Supplies		2,022	
Rentals		800	
Miscellaneous		465	
Total Assessor	<u>9,600</u>	<u>6,987</u>	<u>2,613</u>
Total General Government:	<u>42,350</u>	<u>32,369</u>	<u>9,981</u>
Public Works:			
Zoning and Board of Review			
Salary & Wages		2,525	
Miscellaneous		107	
Total Zoning and Board of Review	<u>6,000</u>	<u>2,632</u>	<u>3,368</u>
Highway, Streets & Bridges:	<u>89,000</u>	<u>79,757</u>	<u>9,243</u>

(Continued)

LAMOTTE TOWNSHIP
General Fund
Schedule of Revenues, Expenditures And
Change In Fund Balance
Budget (GAAP Basis) And Actual
For The Year Ended March 31, 2004

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE - FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES, (Continued):			
Township Hall & Grounds:			
Salary & Wages		\$ 2,469	
Supplies		2,832	
Repair and Maintenance		1,520	
Public Utilities		3,198	
Capital Outlay		1,185	
Miscellaneous		740	
Total Township Hall & Grounds	\$ 19,800	11,945	\$ 7,855
Total Public Works:	114,800	94,334	20,466
Township Hall - Street Lights	2,600	2,268	332
Public Safety - Fire Protection	20,500	20,017	483
Other Expenditures:			
Payroll Taxes	3,500	2,984	516
Cemetary	2,200	966	1,234
Contingency	3,000	-	3,000
Total Other Expenditures:	8,700	3,950	4,750
TOTAL EXPENDITURES	218,950	170,904	48,046
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(113,100)	(45,819)	67,281
FUND BALANCE - BEGINNING OF YEAR	203,021	203,021	-
FUND BALANCE - END OF YEAR	\$ 89,921	\$ 157,202	\$ 67,281

See the accompanying notes

LAMOTTE TOWNSHIP
Special Revenue Funds
Combining Balance Sheet
March 31, 2004

	<u>FIRE FUND</u>	<u>ROAD FUND</u>	<u>TOTALS</u>
<u>ASSETS</u>			
Cash in Bank - Independent Bank	\$ 1,008	\$ 48,016	\$ 49,024
Cash in Bank - Citizens First		23,016	23,016
Cash in Bank - Chemical CD	25,707		25,707
Due from other funds	<u>-</u>	<u>5,938</u>	<u>5,938</u>
TOTAL ASSETS	<u>\$ 26,715</u>	<u>\$ 76,970</u>	<u>\$ 103,685</u>
 <u>LIABILITIES & FUND BALANCE</u>			
Liabilities:			
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance:			
Undesignated	<u>\$ 26,715</u>	<u>\$ 76,970</u>	<u>\$ 103,685</u>
Total Fund Balance	<u>26,715</u>	<u>76,970</u>	<u>103,685</u>
TOTAL LIABILITIES & FUND BALANCE	<u>\$ 26,715</u>	<u>\$ 76,970</u>	<u>\$ 103,685</u>

See the accompanying notes

LAMOTTE TOWNSHIP
Special Revenue Funds
Combining Schedule Of Revenues, Expenditures
And Changes In Fund Balances
For the Year Ended March 31, 2004

	<u>FIRE FUND</u>	<u>ROAD FUND</u>	<u>TOTALS</u>
REVENUES:			
Property taxes		\$ 51,791	\$ 51,791
Delinquent taxes		2	2
Interest Income	\$ 342	420	762
Other		958	958
TOTAL REVENUE	342	53,171	53,513
EXPENDITURES:			
Public Safety	-	-	-
Public Works		58,892	58,892
TOTAL EXPENDITURES	-	58,892	58,892
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	342	(5,721)	(5,379)
FUND BALANCE - BEGINNING OF YEAR	26,373	82,691	109,064
FUND BALANCE - END OF YEAR	\$ 26,715	\$ 76,970	\$ 103,685

See the accompanying notes.

LAMOTTE TOWNSHIP
Fire Fund
Schedule Of Revenues, Expenditures
And Changes In Fund Balances - Budget (GAAP Basis) and Actual
For The Year Ended March 31, 2004

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE - FAVORABLE (UNFAVORABLE)</u>
REVENUE:			
Interest Income	<u>\$ 400</u>	<u>\$ 342</u>	<u>\$ (58)</u>
TOTAL REVENUE	<u>400</u>	<u>342</u>	<u>(58)</u>
EXPENDITURES:			
Public Safety			
Fire protection	<u>1,000</u>	<u>-</u>	<u>1,000</u>
TOTAL EXPENDITURES	<u>1,000</u>	<u>-</u>	<u>1,000</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>(600)</u>	<u>342</u>	<u>(1,058)</u>
FUND BALANCE -BEGINNING OF YEAR	<u>-</u>	<u>26,373</u>	<u>26,373</u>
FUND BALANCE - END OF YEAR	<u>\$ (600)</u>	<u>\$ 26,715</u>	<u>\$ 25,315</u>

See the accompanying notes.

LAMOTTE TOWNSHIP
Road Fund
Schedule Of Revenues, Expenditures
And Changes In Fund Balances - Budget (GAAP Basis) & Actual
For The Year Ended March 31, 2004

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE - FAVORABLE (UNFAVORABLE)</u>
REVENUE:			
Property taxes	\$ 42,000	\$ 51,791	\$ 9,791
Delinquent taxes	5,500	2	(5,498)
Interest Income	200	420	220
Other		958	958
	<u>47,700</u>	<u>53,171</u>	<u>5,471</u>
TOTAL REVENUE			
EXPENDITURES:			
Public Works			
Highways, Streets, Bridge	<u>90,000</u>	<u>58,892</u>	<u>31,108</u>
TOTAL EXPENDITURES	<u>90,000</u>	<u>58,892</u>	<u>31,108</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>(42,300)</u>	<u>(5,721)</u>	<u>36,579</u>
FUND BALANCE - BEGINNING OF YEAR	<u>82,691</u>	<u>82,691</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 40,391</u>	<u>\$ 76,970</u>	<u>\$ (36,579)</u>

See the accompanying notes.

LAMOTTE TOWNSHIP
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
GENERAL FIXED ASSET ACCOUNT GROUP
March 31, 2004

	<u>BALANCE APRIL 1, 2003</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE MARCH 31, 2004</u>
Land and Buildings:				
Gravel Pits & Cemeteries	\$ 138,485			\$ 138,485
Machinery and Equipment				
Fire Department	255,897	\$ 6,199	\$ 1,000	261,096
Township Hall	13,012	1,185	300	13,897
Voting	7,250			7,250
TOTAL	<u>\$ 414,644</u>	<u>\$ 7,384</u>	<u>\$ 1,300</u>	<u>\$ 420,728</u>

See the accompanying notes.

LAMOTTE TOWNSHIP
Schedule of Changes in Assets and Liabilities
Current Tax Collection Fund
For the Fiscal Year Ended March 31, 2004

	<u>CURRENT TAX COLLECTION FUND</u>			
	<u>BALANCE MARCH 31, 2003</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE MARCH 31, 2004</u>
<i>ASSETS</i>				
Taxes receivable	\$ 9,161	\$ 355,622	\$ 320,293	\$ 44,490
<i>TOTAL ASSETS</i>	<u>\$ 9,161</u>	<u>\$ 355,622</u>	<u>\$ 320,293</u>	<u>\$ 44,490</u>
 <i>LIABILITIES</i>				
Due to Road Fund	\$ 5,924	\$ 51,777	\$ 51,791	\$ 5,938
Due to General Fund	3,237	24,201	24,124	3,160
Due to other taxing units		244,315	279,707	35,392
<i>TOTAL LIABILITIES</i>	<u>\$ 9,161</u>	<u>\$ 320,293</u>	<u>\$ 355,622</u>	<u>\$ 44,490</u>

See the accompanying notes.